

COMMISSIONERS APPROVAL

LUND *Btl*

THOMPSON *at*

CHILCOTT *up*

TAYLOR (Clerk & Recorder)

Date.....January 12, 2006

Members Commissioner Greg Chilcott,
Commissioner Betty T. Lund and Commissioner Alan Thompson

Minutes: Sally Fortino and Glenda Wiles

The Commissioners met with Marty Birkeneder and Lt. Joe Birkeneder of the Sheriff's Office. Marty presented a STEP Equipment Grant for the Commissioners signature. This grant is a one-year contract with a cap of \$36,000. Marty is responsible for its execution. Commissioner Thompson moved to approve and sign the STEP Equipment Grant. Commissioner Chilcott seconded and all voted 'aye'.

The Board met with Airport Advisory Board Members Dave Hedditch, Fred Haaskamp, Carl Fox and Jim Trowbridge in regard to various airport matters. Dave asked the Commissioners what the 'cause' would be for them to remove a board member. One member has attended two meetings since he has been appointed due to his schedule. It was agreed that the Advisory Board would make a document of the absences and present the issue to the Commissioners.

Dave also asked why County Attorney George Corn did not visit with the Airport Advisory Board about the hangar lease fees prior to meeting with the Commissioners. The Board advised Dave that George is an Elected Official and therefore does not need to visit with the Commissioners or take direction from the Commissioners on issues that he sees to be within his legal arena. Dave stated they have done extensive research on the fees. He asked what the Commissioners want to do. Commissioner Thompson stated George wants to hire an appraiser, which he has no problems with. Commissioner Thompson stated the appraiser should be someone who knows about 'like properties', such as airports because land within the airport boundaries are different than land in a commercial downtown area. Commissioner Thompson felt the appraiser would lay this lease issue to rest.

Jim Trowbridge stated the appraiser should be asked to do an assessment of the other fees around the State and come in on a comparison base. Doing an appraisal on an economic base would not be fair and equitable.

Commissioner Lund stated the appraiser should be a MAI appraiser. Jim stated a licensed appraiser is qualified, and a MAI appraiser is not needed. Commissioner Chilcott stated they should demonstrate to the citizens that they are charging a fair and equitable amount for the lease amounts.

Commissioner Lund stated the FAA, not the taxpayers, originally purchased the airport property. That is what makes this property unique. Commissioner Chilcott stated George was to do some research on the federal codes but doubts that George would have enough time to do the proper research. Commissioner Chilcott stated the County sells parkland that was not purchased with County tax dollars and the citizens expect to receive full market value for the land. Commissioner Lund stated she does not agree with that comparison.

Dave stated an appraisal will cost \$6,000 to \$9,000, and they do not have the money to pay for such an appraisal. Dave stated the FAA wants the airports to be as self-sufficient as possible and the lease amounts should not be utilized in order to make the operations of the airport self sufficient (this is found in Federal Register, Vol. 61, No. 121, 6/21/96).

Commissioner Thompson recognized this is somewhat of a political issue and many people make accusations that are completely untrue. He also stated George does not understand the airport finances because his comment was that the airport was \$33,000.00 in the red, but in a realistic calculation the airport actually runs in the black when we consider the property taxes that are going into the general fund.

Fred stated the property taxes, personal property taxes at the airport, taxes on planes, etc., definitely exceed the cost of the operation.

Commissioner Chilcott stated it is prudent that the Airport Advisory Board present George with some of these facts that they have raised. Dave stated most people at the airport expect to pay fair and reasonable fees. If we took what George wants to charge the lease fees would jump up to 23 cents per square foot.

Commissioner Lund stated George is looking at the PILT money, in the amount of \$33,000.00, that is being put into the airport fund. He is not looking at the entitlement monies that are being put into the general fund, which helps fund his office.

Fred stated the airport is an important part of the community. Last night Community Hospital's Life Flight landed there for a medical transport.

Commissioner Chilcott stated the current hangar fees have been in place for over a decade and, with the increase of values in the County, that fee needs to be reviewed. Therefore in that regard, George does have a valid argument to review these fees.

Commissioner Thompson stated although he thinks an appraiser of like properties may solve this issue, he certainly does not want to pay \$6,000 to 9,000 for an appraisal.

Commissioner Lund asked if the issue would be solved to increase the fees to \$.09 per square foot. Commissioner Thompson stated there are no facts to back that amount and that decision would be arbitrary and capricious. Commissioner Lund asked if they could review the cost of living for the past ten years. Dave stated if they review the fees in this manner, then the lease should be reviewed every five years for the cost of living rate in order to review any rate increase.

Fred stated they should develop the rulebook so people have this information available at all times. There are a few people who would like to build a hangar but they do not want to do so until this issue and the rules are set forth.

It was agreed that Commissioner Lund would contact accounting and have them utilize the University of Montana figures for the cost of living, calculating that out for the past ten years. At that point, they should meet again in order to review and change the lease in accordance to what they find.

Dave also addressed the issue of an organization chart in reference to the Airport Manager's job description. The Airport Manager's job description does not refer to the Airport Advisory Board and he asked what involvement the Board has in the daily operations that Red Caldwell deals with. Dave asked what involvement the Commissioners want the Advisory Board to be involved in. He stated the Resolution that created the Advisory Board gives them powers, while also giving power to the Commissioners. Dave stated they find out about issues when it is too late for them to deal with them.

Commissioner Chilcott stated the Commissioners need to address this with the Airport Manager because they rely on the Advisory Board to be 'their eyes and ears' for the operations at the airport. Dave stated they do not review the leases and they see the foundation poured before they have any input. He stated he is not 'bad mouthing' Red because Red is following his job description.

Commissioner Thompson stated the Airport Manager needs to deal with the day-to-day operations, but the long-range planning and input on policies needs to be done by the Airport Advisory Board.

Jim stated the Board let Red take on those responsibilities and it has evolved into the way it works now. Commissioner Chilcott stated the Commissioners would meet with Red when he returns from vacation so that 'every one is on the same page'.

Jim recommended the Chairman of the Advisory Board have equal footing with the Commissioners, as does the Airport Manager in any updates or discussion.

Dave also addressed the Environmental Assessment. In the December meeting, Morrison and Maierle hired a local wetlands specialist. That person was to be at the January meeting and did not show up, nor has he done the wetlands study. Now they are behind six weeks. Morrison and Maierle will attempt to finish this job themselves.

In regard to the long range planning, Dave asked for the Commissioners' input. There was some discussion of the air traffic at both the Hamilton and Stevensville airports.

Dave expressed concern that the County Attorney's memo on the hangar fees was erroneous and this information 'wiped out' all of the work and public relations they have done in the past five years. Fred concurred. He stated they 'take the high road' on the issues and the memo upset their whole board.

Commissioner Lund stated George has done this type of thing on several occasions, in regard to working on something and then having a memo come out before they have worked through the issues.

Commissioner Chilcott stated he did not think George intended to misrepresent the facts, but it is his right to express his opinion as an elected official.

Dave stated they get along well with Red, but they need to have more input in the operations.

Dave also noted the airport budget is making the \$13,000.00 payment to Montana Aeronautics for the match money that the County could not come up with during one of the construction improvements.

In summary, the Commissioners will visit with Airport Manager Red Caldwell in regard to his job description, review the Cost of Living and set the fee increase by a public hearing.

In other business, Commissioner Thompson attended a Human Resource meeting in Missoula.

Commissioner Chilcott attended a meeting on the RC&D Program.